Understanding Your Transition to Medicare

Rights, Options and Entitlements

Presented by
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Medicare & You
Your Medicare options...

1. Original Medicare

2. Original Medicare and Medicare Supplement Policy

3. Medicare Advantage Plans (Part C)

4. Prescription Drug Plans (Part D)
Your Medicare Options
When Turning 65 & Continuing Employment

Option 1
✓ Remain on Group Health Plan
✓ Enroll in Medicare Part A
✓ Do NOT enroll in Medicare Part B
✓ Compare Group Drug Plan to Part D Drug Plans

Option 2
✓ Leave Group Health Plan
✓ Enroll in Medicare Parts A, B and D
✓ Purchase Medicare Supplement Plan or Advantage Plan
Three Types of Enrollment

1: Individual Enrollment Period for age 65
2: Special Enrollment Period for 65 or Older
3: General Enrollment Period for 65 or Older

Individual Enrollment Period

The seven month period when a person is first eligible for Medicare. It begins 3 months before your 65th birthday month and ends 3 months after your 65th birthday month.

<table>
<thead>
<tr>
<th>INITIAL ENROLLMENT PERIOD (7 MONTHS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Months Before Eligibility</td>
</tr>
<tr>
<td>Enroll here and Medicare is effective 1st day of eligibility</td>
</tr>
</tbody>
</table>

Special Enrollment Period

This is a second chance to enroll in Medicare if a person continues to work past age 65. Eligibility is based on employer group health coverage (employee or spouse).

General Enrollment Period

This is for people who failed to enroll in Medicare during the initial enrollment period or special enrollment period. Premium penalties are charged. General enrollment period runs from January through March with a July 1st effective date.
Medicare Enrollment

Enrollment is Automatic

✓ When a person applies for Social Security Benefits at age 65 (Part A and Part B).

✓ When a person has started Social Security before age 65, they will receive a Medicare card approximately 3 months before their 65th birthday.

✓ When a person is receiving Social Security due to disability (after 24 months).

Enrollment is Not Automatic

✓ If a person is turning 65 and has not enrolled for Social Security benefits.

✓ If a person has delayed enrolling for Social Security benefits until sometime after turning 65.

Social Security Administration handles all enrollment processing. If you have questions, it is advised to contact SSA before your 65th birthday.
REQUEST FOR EMPLOYMENT INFORMATION

SECTION A: To be completed by individual signing up for Medicare Part B (Medical Insurance)

1. Employer's Name

2. Date

3. Employer's Address

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
</table>

4. Applicant's Name

5. Applicant's Social Security Number

6. Employee's Name

7. Employee's Social Security Number

SECTION B: To be completed by Employers

For Employer Group Health Plans ONLY:

1. Is (or was) the applicant covered under an employer group health plan? □ Yes □ No

2. If yes, give the date the applicant's coverage began. (mm/yyyy)

|       |       |

3. Has the coverage ended? □ Yes □ No

4. If yes, give the date the coverage ended. (mm/yyyy)

|       |       |

5. When did the employee work for your company?

<table>
<thead>
<tr>
<th>From: (mm/yyyy)</th>
<th>To: (mm/yyyy)</th>
<th>Still Employed: (mm/yyyy)</th>
</tr>
</thead>
</table>

6. If you're a large group health plan and the applicant is disabled, please list the timeframe (all months) that your group health plan was primary payer.

| From: (mm/yyyy) | To: (mm/yyyy) |

For Hours Bank Arrangements ONLY:

1. Is (or was) the applicant covered under an Hours Bank Arrangement? □ Yes □ No

2. If yes, does the applicant have hours remaining in reserve? □ Yes □ No

3. Date reserve hours ended or will be used? (mm/yyyy)

|       |       |

All Employers:

Signature of Company Official

Date Signed

Title of Company Official

Phone Number

(   )-   -   

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information is 0938-0787. The time required to complete this information collection is estimated to average 15 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, MD 21244-1850.
# Application for Enrollment in Medicare Part B (Medical Insurance)

1. **Your Social Security Claim Number**

2. **Beneficiary Identification Code (BIC)**

3. **Do you wish to sign up for Medicare Part B (Medical Insurance)?** □ YES

4. **Your Name (Last Name, First Name, Middle Name)**

5. **Mailing Address (Number and Street, P.O. Box, or Route)**

6. **City**
   - State
   - Zip Code

7. **Phone Number (including area code)**
   - (______) ______-______

8. **Written Signature (DO NOT PRINT)**

9. **Signature of Witness**

10. **Date Signed**

11. **Address of Witness**

12. **Remarks**

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**IF THIS APPLICATION HAS BEEN SIGNED BY MARK (X), A WITNESS WHO KNOWS THE APPLICANT MUST SUPPLY THE INFORMATION REQUESTED BELOW.**

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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1230. The time required to complete this information is estimated to average 45 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, Attn: PRA Reports Clearance Officer, 7500 Security Boulevard, Baltimore, Maryland 21244-1850.
Automated Telephone Services

1.800.772.1213

- Get a Social Security card application
- Get proof of your benefit amount
- Replace your Medicare card
- Change your address or telephone number, if you receive your benefits
- Make changes to your direct deposit
- Locate your nearest field office
- Listen to informational messages
- Request your Social Security Statement

Local SSA Office: 1.866.716.8299

Social Security Online Services

www.socialsecurity.gov

Convenient ★ Secure

- Apply for retirement, Medicare, spouse’s or disability benefits
- Estimate your retirement benefits
- Use our benefit planners
- Request a Medicare replacement card and apply for ‘Extra Help’ with the prescription drug program
- Sign up or change your direct deposit
- Change your address or phone number, if you receive benefits
- Get help understanding your Social Security Statement or request one
- Get information in 15 foreign languages
- Sign up for E-mail updates

75 Years
Administration
Benefits America!
Medicare Part A - An Overview

Medicare Part A is Hospital Insurance for those eligible for Medicare. Part A is free to those eligible for Social Security or Railroad Retiree retirement benefits. Government employees may also be eligible for free Part A.

Benefits Summary Chart 2016

<table>
<thead>
<tr>
<th>SERVICES</th>
<th>BENEFIT</th>
<th>MEDICARE PAYS</th>
<th>YOU PAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital Inpatient</td>
<td>First 60 days</td>
<td>All but $1,288</td>
<td>$1,288</td>
</tr>
<tr>
<td>Semiprivate room,</td>
<td>61st - 90th days</td>
<td>All but $322/day</td>
<td>$322/day</td>
</tr>
<tr>
<td>general nursing, misc.</td>
<td>91st - 150th days*</td>
<td>All but $644/day</td>
<td>$644/day</td>
</tr>
<tr>
<td>services</td>
<td>After 151 days</td>
<td>$0</td>
<td>All Costs</td>
</tr>
<tr>
<td>Skilled Nursing Facility Care</td>
<td>First 20 days</td>
<td>100% of approved</td>
<td>$0 if approved</td>
</tr>
<tr>
<td></td>
<td>21st - 100th days</td>
<td>All but $161/day</td>
<td>$161/day</td>
</tr>
<tr>
<td></td>
<td>After 100 days</td>
<td>$0</td>
<td>All Costs</td>
</tr>
<tr>
<td>Home Health Care</td>
<td>Part-time care after hospitalization</td>
<td>100% of approved</td>
<td>$0 if approved</td>
</tr>
<tr>
<td>Medically-necessary skilled care, therapy</td>
<td>Durable medical equipment</td>
<td>80% of approved</td>
<td>20% of approved + excess charges</td>
</tr>
<tr>
<td>Hospice Care</td>
<td>As long as doctor certifies need</td>
<td>All but limited costs for drugs and respite care</td>
<td>Limited costs for drugs and respite care</td>
</tr>
<tr>
<td>Blood</td>
<td>Blood</td>
<td>All but first 3 pints</td>
<td>First 3 pints</td>
</tr>
</tbody>
</table>

*Lifetime Reserve Days - each available only once.
Medicare Part B - An Overview

Medicare Part B is Medical Insurance for those eligible for Medicare.

All those enrolled in Medicare Part B are required to pay a monthly premium. The premium amount is deducted from an individual’s Social Security check. Those not receiving Social Security payments are billed quarterly (or monthly if paying for both Part A and Part B)

Medical Insurance Part B

Doctor Services
Services & Supplies
Outpatient Hospital
Durable Medical Equip

Part B Premiums

<table>
<thead>
<tr>
<th>Individual Annual Income</th>
<th>$0 to $85,000</th>
<th>$85,001 to $107,000</th>
<th>$107,001 to $160,000</th>
<th>$160,001 to $214,000</th>
<th>more than $214,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Annual Income</td>
<td>$0 to $170,000</td>
<td>$170,001 to $214,000</td>
<td>$214,001 to $320,000</td>
<td>$320,001 to $428,000</td>
<td>more than $428,000</td>
</tr>
<tr>
<td>Premium</td>
<td>$121.80</td>
<td>$170.50</td>
<td>$243.60</td>
<td>$316.70</td>
<td>$389.80</td>
</tr>
</tbody>
</table>
Medicare Part D - Monthly Premium

The chart below shows your estimated prescription drug plan monthly premium based on your income. If your income is above a certain limit, you will pay an income-related monthly adjustment amount in addition to your plan premium.

<table>
<thead>
<tr>
<th>If Your Yearly Income in 2014 was</th>
<th>You Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>File Individual Tax Return</td>
<td>File Joint Tax Return</td>
</tr>
<tr>
<td>$85,000 or less</td>
<td>$170,000 or less</td>
</tr>
<tr>
<td>above $85,000 up to $107,000</td>
<td>above $170,000 up to $214,000</td>
</tr>
<tr>
<td>above $107,000 up to $160,000</td>
<td>above $214,000 up to $320,000</td>
</tr>
<tr>
<td>above $160,000 up to $214,000</td>
<td>above $320,000 up to $428,000</td>
</tr>
<tr>
<td>above $214,000</td>
<td>above $428,000</td>
</tr>
</tbody>
</table>

2015 Part D National Base Beneficiary Premium - $33.13
This figure is used to estimate the Part D late enrollment penalty and the income-related monthly adjustment amounts listed in the table above. The national base beneficiary premium amount can change each year. See your Medicare & You Handbook or visit www.medicare.gov for more information.
The Gaps in Original Medicare

Part A
HOSPITAL BILLS
Medicare does not pay:
✓ A deductible for each benefit period.
✓ Daily coinsurance after 60 days.
✓ Anytime past a hospitalization of 150 days.
✓ First 3 pints of blood.
✓ Anytime during foreign travel.

SKILLED NURSING FACILITY BILLS
Medicare does not pay:
✓ Daily coinsurance for each day in the facility after 20 days, up to 100 days.
✓ Anytime for a stay of more than 100 days.

HOME HEALTH CARE
Medicare does not pay:
✓ 20% of approved cost of durable medical equipment.
✓ Anything for non-medical personal care services.

Part B
Medicare does not pay the following costs for doctors, clinics, laboratories, therapies, medical supplies or equipment:
✓ Annual deductible
✓ 20% of Medicare approved amount
✓ Excess charges
✓ 20% of charges for outpatient hospital services
✓ Preventative or routine examination or testing
✓ Prescription medication
✓ Dental care
✓ Routine eye and hearing exams, glasses, hearing aids
✓ Long term care
Medigap Insurance

Medigap Insurance is a private insurance policy designed to help pay deductibles and co-insurance incurred by beneficiaries who are in the original Medicare plan.

The Federal Government does not sell or service Medigap Insurance, but regulates the coverage. The states are responsible for seeing that insurance companies operating with each state are following the laws and regulations.

Congress established federal standards for Medigap policies in 1990 and in 2010. There are currently 10 standardized plans. The basic care plan A is available in all states but the availability of other plans varies from state to state.
Outline of Medicare Supplement Coverage

Benefit Chart of Medicare Supplement Plans Sold for Effective Dates on or After June 1, 2010

This chart shows the benefits included in each of the standard Medicare supplement plans. Every company must make Plan “A” available. Some plans may not be available in your state.

**Basic Benefits:**
- Hospitalization – Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.
- Medical Expenses – Part B coinsurance (generally 20% of Medicare-approved expenses) or copayments for hospital outpatient services. Plans K, L, and N require insureds to pay a portion of Part B coinsurance or copayments.
- Blood – First three pints of blood each year.
- Hospice – Part A coinsurance

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
<th>K</th>
<th>L</th>
<th>M</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic, including 100% Part B coinsurance</td>
<td>Basic, including 100% Part B coinsurance</td>
<td>Basic, including 100% Part B coinsurance</td>
<td>Basic, including 100% Part B coinsurance</td>
<td>Basic, including 100% Part B coinsurance</td>
<td>Basic, including 100% Part B coinsurance</td>
<td>Hospitalization and preventive care paid at 100%; other basic benefits paid at 50%</td>
<td>Hospitalization and preventive care paid at 100%; other basic benefits paid at 75%</td>
<td>Basic, including 100% Part B coinsurance</td>
<td>Basic, including 100% Part B coinsurance except up to $20 copayment for office visit, and up to $50 copayment for ER</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skilled Nursing Facility Coinsurance</td>
<td>Skilled Nursing Facility Coinsurance</td>
<td>Skilled Nursing Facility Coinsurance</td>
<td>Skilled Nursing Facility Coinsurance</td>
<td>Skilled Nursing Facility Coinsurance</td>
<td>50% Skilled Nursing Facility Coinsurance</td>
<td>75% Skilled Nursing Facility Coinsurance</td>
<td>Skilled Nursing Facility Coinsurance</td>
<td>Skilled Nursing Facility Coinsurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part A Deductible</td>
<td>Part A Deductible</td>
<td>Part A Deductible</td>
<td>Part A Deductible</td>
<td>Part A Deductible</td>
<td>50% Part A Deductible</td>
<td>75% Part A Deductible</td>
<td>50% Part A Deductible</td>
<td>Part A Deductible</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Travel Emergency</td>
<td>Foreign Travel Emergency</td>
<td>Foreign Travel Emergency</td>
<td>Foreign Travel Emergency</td>
<td>Foreign Travel Emergency</td>
<td>Out-of-pocket limit $4940 paid at 100% after limit reached</td>
<td>Out-of-pocket limit $2470 paid at 100% after limit reached</td>
<td>Foreign Travel Emergency</td>
<td>Foreign Travel Emergency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Plan F also has an option called a high deductible Plan F. This high deductible plan pays the same benefits as Plan F after one has paid a calendar year $2140 deductible. Benefits from high deductible plan F will not begin until out-of-pocket expenses exceed $2140. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the Policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan’s separate foreign travel emergency deductible.*
Part C
Medicare Advantage

Part C was added to Medicare when Congress passed the balanced budget act of 1997. The purpose was to offer Medicare beneficiaries options beyond original Medicare.

Highlights

✓ Sold and managed by private insurance companies.
✓ You leave the traditional Medicare program when you join an advantage plan.
✓ Must be enrolled in Part A and Part B.
✓ Must reside in the plan’s service area (county).
✓ Commit to one year plan agreement.
✓ Plans have network restrictions.
✓ Each company plan establishes premiums Some plans charge no premiums.
✓ Each company plan sets charges, co-pays and out of pocket maximum.
✓ Many plans include prescription drug coverage (Part D).
✓ Enrollment periods are similar to traditional Medicare enrollment. An annual coordinated election period allows you to add, drop or change plans.
✓ Twelve month trial rights allows people to try an advantage plan with no risks.
✓ Research plans on the Medicare website (www.medicare.gov) and/or contact companies directly for plan information.
Part D
Prescription Drug Insurance

Medicare Part D is the prescription drug insurance program added to Medicare by the MMA of 2003.

Highlights

✓ Started January 1, 2006.
✓ Offered by private companies.
✓ Must have Part A and/or Part B to be eligible.
✓ Voluntary program (but there is a penalty for every month eligible but not enrolled).
✓ Covers prescription drugs only (brand name and generic).
✓ Plans are structured with premiums, deductibles and co-pays.
✓ Enrollment periods similar to Medicare enrollment with annual coordinated election period (10-15 to 12-7) when coverage can be added/terminated or changed.
✓ Choose a plan on the Medicare website (www.medicare.gov).
Medicare and Related Resources


Medicare website: [www.medicare.gov](http://www.medicare.gov) or call with questions 1-800-633-4227.


*Choosing A Medigap Policy: A Guide To Health Insurance For People With Medicare.* The official government guide developed by CMS and NAIC.

*Nebraska Comparison Guide For Medicare Supplement Insurance.* Published by the Nebraska Dept. of Insurance and SHIIP. Provides specific information about Medicare Supplement Insurance including companies and premiums.

*Medicare Advantage in Nebraska.* A guide to Medicare Advantage Plans in Nebraska. Published by Nebraska Dept of Insurance and SHIIP.

Volunteers Assisting Seniors (VAS) – An Omaha nonprofit for over thirty years providing free counseling and educational services to help seniors with Medicare questions and issues. Affiliated with SHIIP (Senior Health Insurance Program). Call 402-444-6617 for appointment or information. Address: 1941 S. 42nd St. Suite 502, Omaha, NE, 68105. Email: [www.volunteersfoelderly.com](http://www.volunteersfoelderly.com)

Johnson and Associates – A private Omaha company specializing in Medicare rights and options and Medigap insurance. Contact Howard M. Johnson Jr. for a free confidential discussion about the transition to Medicare. Telephone: 402-968-5431. Email: [hmacjohnson@cox.net](mailto:hmacjohnson@cox.net). Mailing address: PO Box 6487, Omaha, NE 68106.
Attention Future Medicare Participants

Are you approaching retirement and/or eligible for Medicare? If so, you may be facing a whole host of questions and issues for which you are unprepared. Your healthcare decisions going forward will be among the most important decisions you will ever make.

Let us assist you in understanding all your options, rights and responsibilities. Our services are confidential and free to you with no strings or obligations.

**We’ll discuss with you:**

- Your transition to Medicare
- Your options and choices
- How to enroll or decline/delay coverage
- If you should elect Medicare Part A, Part B and Part D
- Your Part D Prescription Drug Plan options
- Medicare benefits and gaps in coverage
- What Medicare does not cover
- Optional Plans to supplement/replace Original Medicare
- Your estimated monthly premiums for Parts A, B, D and Supplement
- If you qualify for extra help paying for your premiums

For your free consultation, contact Howard Johnson, Principal of Johnson & Associates at 402-968-5431 or hmacjohnson@cox.net

Johnson & Associates
Advocating for Seniors

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